

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0757-01
Bill No.: HB 238
Subject: Department of Corrections; Salaries; Law Enforcement Officers and Agencies.
Type: Original
Date: January 23, 2015

Bill Summary: This proposal provides that corrections officers are to receive hazardous duty pay in addition to their regular salary.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(\$3,215,787)	(\$9,647,361)	(\$12,863,147)
Total Estimated Net Effect on General Revenue	(\$3,215,787)	(\$9,647,361)	(\$12,863,147)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Corrections (DOC)** state this bill proposes to provide that corrections officers are to receive hazardous duty pay in addition to their regular pay.

This legislation will have significant fiscal impact on DOC. By FY18, this proposal will cost the department over \$12 million.

	FY 2015 <u>Budgeted FTE</u>			
Corrections Officer I	4,723.91			
Corrections Officer II	631			
Corrections Officer III	206			
Corrections Supv I	107			
Corrections Supv II	<u>24</u>			
TOTAL	5,691.91			
		<u>Haz. Duty Pay</u>	<u>Fringe (25.55%)</u>	<u>Total</u>
FY 2016 - 2nd 6 months @ \$75 per month		\$2,561,360	\$654,427	\$3,215,787
FY 2017 - 1st 6 months @ \$75 per month		\$2,561,360	\$654,287	\$3,215,787
FY 2017 - 2nd 6 months @ \$150 per month		\$5,122,719	\$1,308,854	<u>\$6,431,574</u>
Total for FY 2017				\$9,647,361
FY 2018 - 12 months @ \$150 per month		\$10,245,438	\$2,617,709	\$12,863,147

Officials from the **Office of Administration** state the Division of Personnel will have to implement the "hazardous duty compensation" called for in the proposal into its pay plan recommendations to the Personnel Advisory Board. The Division assumes this can be accomplished with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE FUND			
<u>Costs - Department of Corrections</u>			
Hazardous Duty pay (plus fringe benefits) for corrections officers of \$75 per month in 2016 and \$150 per month beginning January 2017	<u>(\$3,215,787)</u>	<u>(\$9,647,361)</u>	<u>(\$12,863,147)</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>(\$3,215,787)</u>	<u>(\$9,647,361)</u>	<u>(\$12,863,147)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

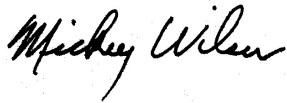
This proposal specifies that beginning on January 1, 2016, in addition to their regular pay, all corrections custody officers must receive \$75 per month for hazardous duty compensation.

Beginning January 1, 2017, the amount is increased to \$150 per month.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Corrections
Office of Administration

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
January 23, 2015

Ross Strobe
Assistant Director
January 23, 2015